



OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



DARLENE GREEN  
Comptroller

*Internal Audit Section*

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November 20, 2012

**FILE COPY**

April Ford Griffin, Director  
Civil Right Enforcement Agency  
1114 Market Street, Room 626  
St. Louis, MO 63101

RE: Civil Rights Enforcement Agency (CREA)-Equal Employment Opportunity (EEOC)  
(Project #2013-P1)

Dear Ms. Griffin:

Enclosed is the Internal Audit Section's report on the process review of the Civil Rights Enforcement Agency (CREA-Equal Employment Opportunity Commission (EEOC) for the period April 1, 2011 through March 31, 2012. A description of the scope of the work is included in the report.

Fieldwork was completed on October 17, 2012. Responses to the observation and recommendations noted in this report were received on November 16, 2012, and have been incorporated in the report.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised; and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

If you have any questions, please contact the Internal Audit Section at (314) 657-3490.

Respectfully,

Dr. Kenneth M. Stone, CPA, CGMA  
Internal Audit Executive

Enclosure

cc: Denise Jefferson, Deputy Director-CREA



# CITY OF ST. LOUIS

**CIVIL RIGHTS ENFORCEMENT AGENCY (CREA)**

**EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC)  
AND HOUSING AND URBAN DEVELOPMENT (HUD) GRANTS**

**PROCESS REVIEW**

**APRIL 1, 2011 THROUGH MARCH 30, 2012**

**PROJECT #2013-P1**

**DATE ISSUED: NOVEMBER 20, 2012**

**Prepared by:  
The Internal Audit Section**



## OFFICE OF THE COMPTROLLER

**HONORABLE DARLENE GREEN, COMPTROLLER**

**CITY OF ST. LOUIS**  
**CIVIL RIGHTS ENFORCEMENT AGENCY (CREA)**  
**EQUAL EMPLOYMENT OPPORTUNITY COMMISSION (EEOC)**  
**PROCESS REVIEW**  
**APRIL 1, 2011 THROUGH MARCH 31, 2012**

**EXECUTIVE SUMMARY**

**Purpose**

The Civil Rights Enforcement Agency (CREA) was selected for review based on the Internal Audit Section's annual risk assessment. The purpose was to determine if CREA's internal controls effectively and efficiently manage risks in achieving goals and objectives relating to:

- Compliance with laws, regulations, policies and procedures applicable to goals and objectives.
- Safeguarding of assets.
- Reliability and integrity of financial and operational information.
- Economic and efficient use of resources.

**Scope and Methodology**

The scope of the review included EEOC and US Department of Housing and Urban Development (HUD) complaints of discrimination cases completed from the period April 1, 2011 through March 31, 2012. The review was confined to evaluating internal controls over the financial and operational activities relating to the objectives noted above. The review procedures included:

- Inquiries of management and staff.
- Observation of relevant processes.
- Reviews for compliance with policies and procedures, as well as applicable laws and regulations applicable to goals and objectives.
- Limited tests of controls.
- Follow-up on prior observations
- Other procedures as considered necessary.

**Background**

CREA investigates complaints of discrimination in housing, employment, public accommodations, intimidation and retaliation. The agency also investigates and enforces cases referred from the EEOC and HUD. In addition, CREA develops, implements and participates in community oriented programs designed to prevent discrimination through education and outreach initiatives. CREA is primarily guided by City of St. Louis Ordinance 67119 and Missouri Statutes Chapter 213, as well as federal EEOC and HUD regulations.

Ordinance #67119 grants the St. Louis Civil Rights Enforcement Agency the authority to enforce the provisions of Chapter 213, Missouri Revised Statutes. The ordinance also authorized CREA to act in an advisory capacity to the Mayor and Board of Aldermen for the purposes of furthering

**CITY OF ST. LOUIS**  
**CIVIL RIGHTS ENFORCEMENT AGENCY (CREA)**  
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amicable relations among various segments of the population comprising the citizenry of the City of St. Louis; to help preserve and further the good name of St. Louis for tolerance and fair play to promote better relations among its people, and to help make it possible for each citizen regardless of race, color, religion, sex, age disability marital status, familial status, sexual orientation, national origin or ancestry, or legal source of income to develop talents and abilities without limitation.

**Exit Conference**

An exit conference was conducted at CREA on November 8, 2012. CREA was represented by the Director and Deputy Director. The Internal Audit Section was represented by the Audit Supervisor and Auditor II- In Charge.

**Conclusion**

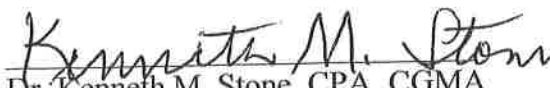
Several control procedures were noted as strengths in CREA's financial and operational activities. These included, but were not limited to, the following:

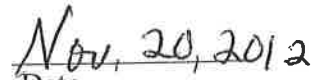
- Verification of information with City's Assessor's Office or Dataflex.
- In-house training and policy and procedures manual.
- Reconciliations of payments from funding sources to CREA records and City AIMS.
- Deputy Director's and Director's review of Investigators' documentation files.
- Written job descriptions and performance measures for employees.

The opportunity exists for management to improve internal controls over the financial and operational activities of CREA. The following observation resulted from the review:

- Opportunity to improve meeting contract deadlines

This observation is discussed in more detail in the *Detailed Observations, Recommendations and Management's Responses* section of this report.

  
Dr. Kenneth M. Stone, CPA, CGMA  
Internal Audit Executive

  
Date

**CITY OF ST. LOUIS  
CIVIL RIGHTS ENFORCEMENT AGENCY (CREA)  
EQUAL EMPLOYMENT OPPORTUNITY (EEOC)  
PROCESS REVIEW  
APRIL 1, 2011 THROUGH MARCH 31, 2012**

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## **OBSERVATIONS**

### **Status of Prior Observations**

The Internal Audit Section (IAS) followed up on observations in the report issued April 27, 2001 (Project 2001-12) and January 5, 2006 (Project 2006-F1). The status of the observations is considered resolved as the prior reports were performed more than six to ten years ago and CREA has had new staff since the audits were performed.

### **Summary of Observations**

Several control procedures were noted as strengths in CREA's financial and operational activities. These included, but were not limited to, the following:

- Verification of information with City's Assessor's Office or Dataflex.
- In-house training and policy and procedures manual.
- Reconciliations of payments from funding sources to CREA records and City AIMS.
- Deputy Director's and Director's review of Investigators' documentation files.
- Written job descriptions and performance measures for employees.

The opportunity exists for management to improve internal controls over the financial and operational activities of CREA. The following observation resulted from the review:

- Opportunity to improve meeting contract deadlines

This observation is discussed in more detail in the *Detailed Observations, Recommendations and Management's Responses* section of this report.

## **DETAILED OBSERVATIONS, RECOMMENDATIONS AND MANAGEMENT'S RESPONSES**

### **Opportunity To Improve Meeting Contract Deadlines**

A sample of seven EEOC and seven HUD completed case files was selected for testing for the period April 1, 2011 to March 31, 2012. The following items were noted:

For the EEOC test sample, two out of seven (29%) of cases were not entered into the IMS database within five days of CREA receiving the charge from the complainant. Also, three out of seven (43%) of the cases did not have the respondent notified within ten days after CREA receiving the complaint. Respondents were notified an average 25 days after charge was received.

The EEOC contract required that charges be entered into IMS (Integrated Mission Systems) database within five days of in-take of the complaint. Also, the complainant and respondent should be notified within ten days of the charges filed.

CREA noted that these deadlines appeared to be missed because some of the days lapsed included holidays and weekends or key staff may have been on leave. Also, CREA contends that it has no control over how long it may take to obtain a valid location to send notification to the respondent. CREA noted in some instances, respondents were located, but refused to sign for the certified letter. In these cases, CREA notified respondents via subpoena.

If CREA does not adhere to the contract deadlines for entering case information into the IMS database and notifying respondents, EEOC and HUD may not pay or reimburse CREA the full standard amount per case for completed cases.

### **Recommendation**

It is recommended that CREA implement new or improve current procedures to ensure all investigators note the IMS entry date in the case chronology to meet the deadlines for entering the cases into the respective database and locating and notifying respondents. In addition, CREA should clarify with the EEOC and HUD if days lapsed are counted by calendar days or business days.

### ***Management's Response (Received November 16, 2012)***

*In response to the observations contained on page 2 of the report:*

*[CREA] would like to note since the inception of the Work Sharing Agreement with U.S.*

*Department of Urban Development and U.S. Equal Employment Opportunity Commission, CREA has never not received payment for processing cases due to a delay in sending notification letters nor data entry within the outlined time frame. The timeliness referred to do not have a significant impact on the main objective, which is to provide a fair, impartial and thorough investigation.*

*However, CREA has implemented an additional process and procedure to ensure all of CREA's contractual timelines are being adhered to.*